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ENHANCING CAPACITY FOR LOW EMISSION DEVELOPMENT STRATEGIES (EC-LEDs)

CLEAN ENERGY PROGRAM

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Updated Selection of Municipalities for SEAP Assistance



November 13, 2014

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November 13, 2014

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DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ACRONYMS

BAU	Business as usual
COM	Covenant of Mayors
EC-LEDS	Enhancing Capacity for Low Emission Development Strategies
GHG	Greenhouse gases
SEAP	Sustainable Energy Action Plan
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

This report presents an updated list of the top 10 Georgian Municipalities to be considered for support under the Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) Clean Energy Program. This support will include developing and/or updating Sustainable Energy Action Plans (SEAPs), a requirement of the Municipalities that are signatories of the Covenant of Mayors (CoM) Initiative.

Information was gathered through individual meetings, phone/email consultations as well as informal communication, and was analyzed to update the tables for the 8 different criteria approved by USAID in Year 1.

EC-LEDS consulted 15 different Municipalities over a one-month period, namely Akhaltsikhe, Batumi, Gori, Khashuri, Kutaisi, Ozurgeti, Mtskheta-Mtianeti, Poti, Rustavi, Sagarejo, Tbilisi, Telavi, Zestafoni and Zugdidi Municipalities. Although, the Municipalities were not able to provide us with complete information needed for a full-scale update of the tables (i.e. energy consumption for 2011, 2012, 2013) the data provided by them and insights gained during the individual meetings was adequate for revising the list of top 10 municipalities for SEAP assistance.

Based on data and analyses, EC-LEDS recommends supporting Gori, Telavi, and Poti Municipalities in developing or updating SEAPS during 2014-2015, as well as monitoring implementation and updating Tbilisi's SEAP. The municipalities of Rustavi, Akhaltsikhe and Mtskheta-Mtianeti are eligible for assistance in 2015-2016 if the latter two sign the CoM and commit to preparing a SEAP. In addition to that, we recommend including Zestaphoni Municipality in the short-list for 2015-2016.

I. Background Information

The Year 2014 was a transformational year for the self-government units of Georgia. On February 5, 2014 the Parliament of Georgia approved a new Local Self-Government Code¹, which brought about certain changes in the local self-government system. The Code combines several legislative acts regulating self-governance, in particular:

- The Organic Law of Georgia on Local Self-Government;
- The Law of Georgia on State Supervision over Activities of Local Authorities;
- The Law of Georgia on the Capital of Georgia - Tbilisi;
- The Law of Georgia on Property of a Self-Governing Units.

According to a new Code, the number of so called self-governing cities was increased from 5 to 12 by means of granting self-governing status to 7 additional cities - Telavi, Ozurgeti, Zugdidi, Ambrolauri, Gori, Mtskheta and Akhaltsikhe. The change of status implies a change in the mandate, rights and responsibilities of the above-mentioned cities in terms of making them more independent from the central government in their decision-making processes. More precisely, paragraph 2 of Article 2 of the Code defines the concept of self-government in the following way – “The local self-government entity is a municipality. The municipality represents an inhabited locality (self-governing town) or an association of inhabited localities (self-governing community), which has its administrative boundaries, representative and executive authorities of the elected local self-government (hereinafter-municipal authorities), has its own property, budget, income and is an independent legal entity of public law.”²

In addition to a revised legal framework, local self-government elections were held on June 15, 2014 (with many run-offs in July), resulting in institutional and administrative changes within self-governing entities, including introducing new people in high-level decision-making as well as technical type positions.

Both of the above-mentioned processes have had a direct or indirect impact on the potential Municipalities³ for assistance. On the one hand, working with self-governing cities increases the opportunity to move forward with SEAP elaboration and implementation as cities become more independent from the central government and therefore, are able to make decisions in a more efficient and timely manner. On the other hand, changes in management and human resources created a risk to lose already existing momentum and interest within the municipalities already involved in the Covenant of Mayors (CoM) process, including those that EC-LEDS was assisting during Year I. To mitigate the risk, the project team immediately launched consultations with newly elected and/or appointed staff at the Municipalities to explain the benefits as well as commitments to the CoM signatories being assisted in year I, through workshops and group as well as individual meetings.

¹ A copy of the bill may be found in Georgian at https://matsne.gov.ge/index.php?option=com_ldmssearch&view=docView&id=2244429 and in English at <http://www.civil.ge/files/files/2013/LocalSelfGovernance-bill.pdf>

² Unofficial translation at <http://www.civil.ge/files/files/2013/LocalSelfGovernance-bill.pdf>

³ the term Municipality refers to a self-governing entity, including a self-governing city

2. Objective

The main objective of this report is to update the list of the Municipalities identified for elaboration and implementation of SEAPs according to the criteria approved by USAID in Year 1. In addition to the approved criteria, additional information was taken into account in order to make this final recommendation regarding the top ten municipalities to be covered under the Component I of the EC-LEDS project through the end of Year 3, September, 2016.

3. Methodology

The data for the approved criteria were updated and potential Municipalities were re-ranked accordingly. Some of the needed information was gleaned through group and/or individual meetings as well as email/phone communication with the representatives of the municipalities (e.g. Criteria 1, 3, 4, 5), while others required additional effort, including data gathering by the municipalities and therefore, required more time to complete (e.g. criteria 6, 7 and 8).

In order to update the list of the Municipalities, individual working meetings were organized with the Municipalities of Tbilisi, Poti, Gori, Khashuri, Zestaphoni, Akhaltsikhe, Ozurgeti in order to confirm their interest in being part of the CoM process and work on their respective SEAPs. Workshops conducted in Anaklia and Batumi for representatives of 10 different municipalities were used as opportunities to hold formal as well as informal meetings to discuss political as well as technical details of the CoM and elaboration of SEAPs. Almost all potential Municipalities were contacted by phone/email with a request to provide data and information needed to update and re-rank the municipalities.

The following 8 criteria together and their weighting were used to assess potential municipalities for assistance in elaborating and implementing SEAPs (see Annex I for detailed description of those criteria).

N	Selection Criteria	Weights of Criteria
1	CoM Signatory city/municipality or strong intention to join COM	10
2	Increase in GHG emissions caused by economic or population growth for the past three years	7
3	Willingness of a municipality to address emissions through facilitation and implementation of energy efficiency improvements	8
4	Willingness of a municipality to work with the EC-LEDS program (yes/no). ,	This criterion is not included in the multi-criteria assessment and has only filter function. If the municipality is not clearly willing to cooperate, it is unlikely EC-LEDS will commit any effort to

		work with them.
5	Willingness of the municipality to contribute with human resources especially ensuring implementation and monitoring of SEAP	9
6	Annual expenditure in a municipality for infrastructure improvements/construction.	10
7	Total population within the municipality	5
8	Annual energy consumption in municipality (if known)	4

Based on the above-listed criteria the final table of multi-criteria analysis results was included in the first municipality selection memo submitted to USAID in Year 1:

Municipality		Criteria 1 (10)	Criteria 2 (7)	Criteria 3 (8)	Criteria 5 (9)	Criteria 6 (10)		Criteria 7 (5)	Criteria 8 (4)		Total scores	Rank
		0	21	40	45	6.1	6.2		8.1	8.2		
Akhalsikhe		150	98	120	135	1	130	15	0	0	23.0	14
Batumi		150	84	80	90	1	150	60	1	52	171.7	1
Gori		50	7	40	45	1	140	55	1	44	160.9	3
Kazbegi		100	42	40	45	1	30	5	0	0	52.0	13
Khashuri		150	91	120	135	1	70	30	0	0	98.5	9
Kutaisi		0	63	0	0	1	100	70	1	40	166.5	2
Ozurgeti		50	28	40	45	0	0	45	0	0	4.5	15
Mtskheta		150	14	80	90	1	80	20	0	0	58.5	12
Poti		150	70	80	90	1	120	10	1	56	155.6	5
Rustavi		50	35	40	45	1	50	50	1	60	153.0	6
Sagarejo		150	105	120	135	1	110	25	1	36	65.6	10

Tbilisi		50	56	80	90	1	90	75	1	32	165.2	4
Telavi		100	49	80	90	1	20	35	1	28	65.3	11
Zestafoni		150	77	80	90	1	60	40	0	0	107.0	8
Zugdidi						1	40	65	1	48	152.3	7

The results of the work conducted so far are presented in the chapter below.

4. Results

The information provided by the Municipalities enabled updating the criteria and re-ranking the municipalities, except for Criterion 8 on energy use by the Municipalities. Only a few Municipalities managed to provide complete information on different types of energy consumption, including electricity, fuel, natural gas and wood. Since this information is incomplete, the table on Criterion 8 is unchanged from the previous analysis and was not taken into consideration while making the final ranking of the Municipalities.

The information gathered through individual meetings and/or phone/email communication is summarized below, followed by updated tables on the various criteria and conclusions are drawn. It is important to mention that only 14 Municipalities are ranked, rather than 15 included in the Year I report. This is because Mtskheta and Kazbegi Municipalities were united under the Mtskheta – Mtianeti region.

1. Batumi

The SEAP for the City of Batumi was updated and is ready to be submitted to the CoM. The Municipality remains very much committed and interested in implementing the SEAP, meeting its commitments under the CoM and continuing collaboration with the EC-LEDS program.

2. Kutaisi

A new SEAP for Kutaisi was developed and is ready to be submitted to the CoM. The Municipality of Kutaisi also remains committed to fulfill its obligations under the CoM and implement concrete measures supporting its SEAP.

3. Gori

During a meeting at the Municipality of Gori, the Mayor of the city of Gori, Mr Zurab Jirkvelishvili, confirmed his interest to collaborate with the EC-LEDS project and revise their existing SEAP to address the comments and feedback from the CoM. The Mayor pointed out that the number one priority of the city is to develop their transport sector in a sustainable way. However he also highlighted the lack of local experts and professionals with relevant knowledge and experience in this field. The City plans to send an official letter expressing their interest to be considered among the potential cities for SEAP assistance under the EC-LEDS program.

The second meeting was arranged with the Mayor and the energy auditor, Mr Givi Khuroshvili, who will be the main contact person during the elaboration of SEAP. EC-LEDS shared detailed information about the Business as Usual (BAU) methodology in comparison to a fixed year methodology that was used in the existing version of Gori's SEAP. The Municipality was also briefed about the data they would need to provide and the type of expertise that will be needed while elaborating the SEAP. The Mayor of Gori once again expressed interest in Gori being one of the municipalities to be supported by the EC-LEDS program. The willingness expressed and their verbal commitment to the process and the urgency of updating their existing SEAP make Gori Municipality one of the strong candidates to be shortlisted for the year 2014-2015.

4. Tbilisi

During a meeting at Tbilisi City Hall, newly elected Mayor David Narmania expressed readiness and interest to collaborate with the EC-LEDS project under Component , including monitoring and reporting on the implementation of Tbilisi's existing SEAP and based on the results of the monitoring and updating the SEAP document based on the monitoring. The Mayor created a SEAP working group within the Municipality under the supervision of the Deputy Mayor, Mrs. Nina Khatiskatsi. The representatives of the Economic, Greening, and Transport Departments and the Street Lighting and Waste Management Services are to be members of this working group.

5. Poti

The meeting with the Mayor Mr Irakli Kakulia and Deputy Mayor of Poti, Mr. Giorgi Moistraphishvili took place at the Poti Municipality. A strong interest to become one of the successful examples of SEAP elaboration and implementation was expressed by them. The Mayor of Poti already sent an official letter to Winrock International expressing the interest to be part of EC-LEDS initiative, support local experts who will be mobilized to gather local data on different sectors for SEAP document and work with us on a regular basis to identify the potential project proposals. It should be also noted, that the deadline to submit SEAP for Poti has been already expired and therefore, in terms of timings it is urgent to launch the process.

6. Rustavi

The interest to update Rustavi Municipality's existing SEAP has been informally expressed by the representatives of the Municipality. To further confirm the interest and discuss the details, a formal meeting with the Vice -Mayor and SEAP coordinators was organized. The Rustavi Municipality is currently working on amending their SEAP based on recommendations received from the CoM following the SEAP submission. At a later stage, they will require support for monitoring of SEAP implementation and updating the SEAP. Once the deadlines for monitoring and updating the SEAP are received from the CoM office, EC-LEDS will discuss the technical details and the possibility to support the Rustavi Municipality in preparation of the Monitoring Report and update of the SEAP document.

7. Zugdidi

The SEAP for Zugdidi was completed and is ready to be submitted to the CoM. During meetings with Zugdidi representatives, as well as at working meeting in Anaklia and Batumi, the officials of the Municipality and the Sakrebulo expressed their readiness and commitment to support their SEAP implementation and further collaborate with the EC-LEDS program.

8. Zestaponi

The representatives of Zestaponi Municipality informally expressed interest to become involved in the CoM process in the nearest future and to collaborate with the EC-LEDS program for developing a SEAP. A meeting with the Governor of the Zestaphoni Municipality, Mr Tariel Taturashvili, and SEAP coordinator Mr Boris Chichinadze was held at the Zestaphoni Municipal building. They asked questions about the commitments required of CoM signatories. Although they do not have a firm timetable for joining the CoM, the representatives of the Municipality pointed out that their SEAP priorities would likely be industry, public lighting and most probably agriculture.

9. Khashuri

A meeting was arranged with the newly elected Governor of the Khashuri Municipality, Mr George Guraspashvili, to introduce to him the CoM initiative and the main principles of SEAPs. Although he has general interest in implementing energy efficiency activities within the Municipality, at this stage they have no interest or intention to sign the CoM. Information and examples of SEAP documents were shared to provide a more complete understanding of the process as well as potential benefits for Municipalities to join the CoM.

10. Sagarejo

Sagarejo Municipality staff have expressed informal interest in the CoM and developing a SEAP. However they have no concrete intention to sign the CoM.

11. Telavi

The city of Telavi joined the CoM in 2014 and has expressed the desire to develop a SEAP within one year with the support of EC-LEDS. During the Batumi workshop, EC-LEDS discussed some components of our potential assistance with the Telavi Municipality and agreed that a follow-up meeting will be held in November to discuss details.

12. Akhaltsikhe

The City of Akhaltsikhe has a strong intention to sign the CoM in the nearest future and verbally expressed interest to be considered as one of the Municipalities to be supported by the EC-LEDS program. After a meeting with the Mayor of Akhaltsikhe, we discovered that both the city of Akhaltsikhe and the Municipality of Akahlsikhe have an intention to sign the CoM. If this occurs, we may have an opportunity to assist the city and Municipality to develop a combined SEAP document⁴. The meeting with the Mayor proved that there is a strong vision and even concrete ideas of how to make the city energy efficient (in waste, street lighting and the building sector) which makes the case for assisting this city and Municipality quite strong.

13. Ozurgeti

A meeting was arranged with the newly elected Mayor of Ozurgeti Municipality, Mr Beglar Sioridze, and the Deputy Mayor, Mr Alexander Burchuladze, to introduce the CoM initiative and the main principles of SEAPs. Although there is general interest to implement energy efficient activities within the

⁴ Recently so-called “grouped approach” of SEAPs was introduced by the CoM’s Joint Research Centre (JRC) to promote grouped obligations and/or activities for smaller settlements.

Municipality, at this stage they expressed no specific intention to sign the CoM. Information and examples of SEAP documents were shared to provide a more complete understanding of the process as well as potential benefits for Municipalities to join the CoM.

14. Mtskheta –Mtianeti (including Mtskheta and Kazbegi Municipalities)

A telephone call with the representatives of the Mtskheta Municipality revealed the strong interest of the entire Mtskheta –Mtianeti region to join the CoM and develop a SEAP. A meeting was arranged with the First Deputy of the Governor of the Mtskheta- Mtianeti region, Mr Koba Arabuli, and the SEAP coordinator, Mr Shalva Givishvili, to discuss their intentions in relation to the CoM and also possible collaboration with the EC-LEDS program.

In addition to the results of the meetings above, data was requested from the municipalities in order to update the tables for the 8 different criteria. Some of the Municipalities were not able to provide complete data. However, the information was sufficient to see trends and make certain conclusions for updating the list of Municipalities. Updated tables based on the information received are presented below.

- **Criterion 1 (weight 10) - CoM Signatory city/municipality or strong intention to join COM**

Municipality	Scores
Akhalsikhe	50
Batumi	150
Gori	150
Khashuri	0
Kutaisi	150
Ozurgeti	0
Mtskheta-Mtianeti	50
Poti	150
Rustavi	150
Sagarejo	50
Tbilisi	150
Telavi	150
Zestafoni	50
Zugdidi	150

➤ **Criterion 2 (weight 7) - Increase in GHG emissions caused by economic or population growth for the past three years⁵.**

Municipality	Population (Thousand)			CO ₂			Combination			Average Rate of Change	Ranking
	2011	2012	2013	2011	2012	2013	2011	2012	2013		
Akhalsikhe	47.807	48.038	48.269	3.2	3.2	3.2	152.98	153.72	154.46	5.1744	9
C. Batumi ⁶	125.0	147.8	160.6	3.2	3.2	3.2	400.00	472.96	513.92	398.72	14
Gori ⁷	145.7	145.9	145.7	3.2	3.2	3.2	466.24	466.88	466.24	0	0
Khashuri	62.5	62.5	62.5	3.2	3.2	3.2	200.00	200.00	200.00	0	0
C. Kutaisi	195.7	196.6	196.7	3.2	3.2	3.2	626.24	629.12	629.44	11.2	10
Ozurgeti	78.4	78.2	77.8	3.2	3.2	3.2	250.88	250.24	248.96	-6.72	4
Mtskheta-Mtianeti ⁸	109.5	109.3	108.9	3.2	3.2	3.2	350.40	349.76	348.48	-6.72	4
C. Poti	47.8	47.8	47.7	3.2	3.2	3.2	152.96	152.96	152.64	-1.12	6
C. Rustavi	121.6	122.5	122.7	3.2	3.2	3.2	389.12	392.00	392.64	12.32	11
Sagarejo	59.9	60.0	60.1	3.2	3.2	3.2	191.68	192.00	192.32	2.24	8
C. Tbilisi	1167.6	1172.0	1173.2	3.2	3.2	3.2	3736.32	3750.40	3754.24	62.72	13
Telavi	69.8	70.5	71.0	3.2	3.2	3.2	3637.12	3688.00	3719.68	13.44	12
Zestafoni	75.7	75.5	75.3	3.2	3.2	3.2	242.24	241.60	240.96	-4.48	5
Zugdidi	75.19	76.7	75.1	3.2	3.2	3.2	240.61	245.44	240.32	-1.008	7

⁵ Since there is no exact figure for Co2 emissions per capita for Georgia for 2012 and 2013, the CO2 emissions per capita for 2011 (3.2) is used as a default value for all years. Therefore, the table under criterion 2 reflects the change in population rather than a change in per capita Co2 emissions.

⁶ The main reason for the population increase is changes in administrative borders of the city of Batumi and Khelvachauri Municipality

⁷ Gori Municipality Data

⁸ Mtskheta-Mtianeti Regional data (including Akhagori, Dusheti, Tianeti, Kazbegi and Mtskheta Municipalities)

Per capita emissions in Georgia for the last three years (available)

Years	Population (person)	CO2 (tons)	CO2 tons Per capita/a
2011	4 469. 2	14 270 00	3.2
2012	4 497.6	14 270 00	3.2
2013	4 483.8	14 270 00	3.2

- **Criterion 3 (weight 8) - Willingness of a municipality to address emissions through facilitation and implementation of energy efficiency improvements and**
- **Criterion 5 (weight 9) - Willingness of the municipality to contribute with human resources especially ensuring implementation and monitoring of SEAP**

Municipality	Criteria 3 (8)	Criteria 5 (9)
Akhalsikhe	40	45
Batumi	120	135
Gori	120	135
Khashuri	0	0
Kutaisi	120	135
Ozurgeti	0	0
Mtskheta	40	45
Poti	80	135
Rustavi	120	135
Sagarejo	40	0
Tbilisi	120	135
Telavi	120	135
Zestafoni	40	45
Zugdidi	120	135

➤ **Criterion 6 (weight 10) - Annual expenditure in a municipality for infrastructure improvements/construction.**

Municipality	Budget share (%) used for infrastructure development			Criteria 6 (10)		Scores
	2011	2012	2013			
				6.1	6.2	
Akhalsikhe	81	86	53	1	14	140
Batumi	95	n/a	n/a	1	15	150
Gori	75	n/a	n/a	1	13	130
Khashuri	35	n/a	n/a	1	7	70
Kutaisi	40	n/a	n/a	1	10	100
Ozurgeti	11	n/a	n/a	0	0	0
Mtskheta	36	n/a	n/a	1	8	80
Poti	55	n/a	n/a	1	12	120
Rustavi	27	n/a	n/a	0	0	0
Sagarejo	45	n/a	n/a	1	11	110
Tbilisi	37	n/a	n/a	1	9	90
Telavi	22	42	47	1	6	60
Zestafoni	11	21	31	0	0	0
C. Zugdidi	25	n/a	22 (2014)	0	0	0

➤ **Criterion 7 (weight 5) - Total population within the municipality**

This criterion is ranked in the range of 1-14 in relation to 2013 year data.

Municipalities	Population (Thous. Person)			Rank	Scores
	2011	2012	2013		
	48.4	48.5	48.4	2	10
Akhaltsikhe					
Batumi	125.0	147.8	160.6	12	60
Gori	145.7	145.9	145.7	11	55
Khashuri	62.5	62.5	62.5	5	25
C. Kutaisi	195.7	196.6	196.7	13	65
Ozurgeti	78.4	78.2	77.8	9	45
Mtskheta-Mtianeti	57.4	57.4	57.4	3	15
C. Poti	47.8	47.8	47.7	1	5
C. Rustavi	121.6	122.5	122.7	10	50
Sagarejo	59.9	60.0	60.1	4	20
C. Tbilisi	1167.6	1172.0	1173.2	14	60
Telavi	69.8	70.5	71.0	6	30
Zestafoni	75.7	75.5	75.3	8	40
Zugdidi	75.19	76.7	75.1	7	35

➤ **Criterion 8 (weight 4) - Annual energy consumption in municipality (if known)**

Data was not available.

Municipality	2011	2012	2012	Criteria 8 (4)		Rank	Total scores
	TJ	TJ	TJ	8.1	8.2 %		
Akhaltzikhe							
Batumi							
Gori							
Kazbegi							
Khashuri							
Kutaisi							
Ozurgeti							
Mtskheta							
Poti							
Rustavi							
Sagarejo							
Tbilisi							
Telavi							
Zestafoni							
Zugdidi							

Final table of multi-criteria analysis for selection of SEAP municipalities

Municipality	Criteria 1 (10)	Criteria 2 (7)	Criteria 3 (8)	Criteria 5 (9)	Criteria 6 (10)	Criteria 7 (5)	Criteria 8 (4)	Total scores	Rank
Akhalsikhe	50	9	40	45	140	10		294	9
Batumi	150	14	120	135	150	60		629	1
Gori	150	0	120	135	130	55		590	2
Khashuri	0	0	0	0	70	25		95	13
Kutaisi	150	10	120	135	100	65		580	3
Ozurgeti	0	4	0	0	0	45		49	14
Mtskheta- Mtianeti	50	4	40	45	80	15		234	10
Poti	150	6	80	135	120	5		496	6
Rustavi	150	11	120	135	0	50		466	7
Sagarejo	50	8	40	0	110	20		228	11
Tbilisi	150	13	120	135	90	60		568	4
Telavi	150	12	120	135	60	30		507	5
Zestafoni	50	5	40	45	0	40		180	12
Zugdidi	150	7	120	135	0	35		447	8

CONCLUSIONS

Based on information gathered from the Municipalities through meetings, phone and email communication, data provided by the Municipalities, and analysis and ranking according to the agreed criteria, the following top 10 municipalities are recommended for potential support from the EC-LEDs project:

1. Batumi (supported already)
2. Gori
3. Kutaisi (supported already)
4. Tbilisi
5. Telavi
6. Poti
7. Rustavi
8. Zugdidi (supported already)
9. Akhaltsikhe
10. Mtskheta-Mtianeti

Out of these ten municipalities, EC-LEDs already supported Batumi, Kutaisi and Zugdidi municipalities to prepare SEAPs. Therefore, the selection for years 2 and 3 will be made from the remaining 7 municipalities.

Since one of the main criteria is participation in the CoM process through signing the CoM, EC-LEDs recommends Gori, Telavi, Tbilisi and Poti Municipalities during 2014-2015. All of them are signatories of the CoM and have made a commitment to prepare/update and submit SEAPs in the time required.

As for 2015-2016 Rustavi, Akhaltsikhe and Mtskheta-Mtianeti Municipalities are eligible to be involved in the programme if the latter two sign the CoM and make a commitment to elaborate SEAPs. We also recommend including Zestaphoni Municipality in the list. The main reason to recommend this particular Municipality is their high interest to become involved in the process and also the potential to bring new topics into Georgian SEAPs, namely the agriculture and industry sectors.

It should be also mentioned that, Rustavi Municipality needs support to update its existing. However the details of the timing for the update, as well as technical issues to address, will be further discussed within the Municipality.

We highly recommend that the list be revisited again in the beginning of FY 2015 and making a final decision about municipalities to support in 2015-2016 only after this review.

ANNEX I DESCRIPTION OF CRITERIA FOR SELECTING MUNICIPALITIES

Criterion 1 (weight 10) - CoM Signatory city/municipality or strong intention to join CoM

1. CoM Signatory -15 (1)
2. Strong intention to sign CoM confirmed by written document-10 (2/3)
3. Strong intention to sign CoM is confirmed verbally-5 (1/3)
4. Strong intention to join CoM is not expressed-0 (0)

Criterion 2 (weight 7) - Increase in GHG emissions caused by economic or population growth for the past three years. Annual per capita GHGs emission calculated for the last three years (2.9 in 2009, 2.8 in 2010 and 3.2 in 2011) is multiplied by population of the municipality in the same years.

Criterion 3 (weight 8) - Willingness of a municipality to address emissions through facilitation and implementation of energy efficiency improvements

1. Municipality has the initiative to implement EE measures- 15
2. Municipality has willingness to address emissions through facilitation and implementation of energy efficiency improvements confirmed in writing -10
3. Municipality has willingness to address emissions through facilitation and implementation of energy efficiency improvements confirmed verbally -5
4. Municipality does not have any willingness to address emissions through facilitation and implementation of energy efficiency improvements 0

Criterion 4 – Willingness of a municipality to work with the EC-LEDS program (yes/no). If the municipality is not clearly willing to cooperate, it is unlikely EC-LEDS will commit any effort to work with them.

Criterion 5 (weight 9) - Willingness of the municipality to contribute with human resources especially ensuring implementation and monitoring of SEAP

1. Human resources are already allocated and engaged -15
2. Municipality confirmed in writing readiness to contribute human resources—10
3. Municipality confirmed verbally readiness to contribute human resources—5
4. Municipality is not ready (lack of financial resources or understanding of importance of the issue) to contribute human resources –0

Criterion 6 (weight 10) - Annual expenditure in a municipality for infrastructure improvements/construction.

First, the municipalities are filtered using sub-criteria 6.1, % of budget spent on infrastructure. If budget share for infrastructure is less than 30% for self-governing city or less than 20% for municipality, then the criterion 6.1 equals 0. When 6.1 is 0 then a 0 is also assigned for sub-criterion 6.2. The remaining cities with 1 in sub-criterion 6.1 are ranked according to their contribution to infrastructure development, measured by the percentage of their budget allocated to infrastructure.

Criterion 7 (weight 5) - Total population within the municipality
Municipalities are ranked 1-15 according to their population in 2011.

Criterion 8 (weight 4) - Annual energy consumption in municipality (if known)

This criterion is similar to criteria 2 and 6, since answers are first pre-filtered. Those municipalities where the energy consumptions is not known receive a “0” for 8.1 and 8.2; those which have energy consumption are then ranked according to the growth rate of their energy use for the past three years (2010, 2011, and 2012).